Testimony to Michigan House of Representatives Education Committee Presented by David A. Dieterle, Ph.D., President, Michigan Council on Economic Education RE: Michigan Merit Curriculum (Michigan Core Curriculum and 21st Century Applied Learning Core)

Mr. Chair, Honorable members of the House Education Committee, Good morning. Thank you for providing this opportunity to speak with you this morning.

As President of the State's only organization dedicated to combating economic and financial literacy through an academic environment, I appreciate your allowing me to make a few comments regarding the proposed Michigan Merit Curriculum high school graduation requirements. My comments come from the perspective and viewpoint of an economist, educator, and proud citizen of this great state.

In its most basic unit, Economics is the science of decision-making. Economists focus on the costs and consequences of one's decisions, whether those decisions are made individually or collectively. Economics is known as the "dismal science" for a very good reason. Contrary to popular opinion, it is not from one's personal experiences with Econ 101. So in my brief comments this morning, I hope to reiterate for you several potential consequences and outcomes of the critical decisions you as a committee and legislative body of the whole are considering.

Since 3 of the proposed credits are for a social science requirement, (which includes Economics), I will acknowledge my bias and address two points in support for the inclusion of the social sciences in the proposal. I will sum up with a couple of statements in support of the total proposal as presented by the Superintendent.

Regarding the inclusion of the social sciences

One, the four social sciences are subjects crucial to our future as we prepare Michigan students to be responsible citizens, producers, consumers, savers and investors in the twenty first century global marketplace. And I do not use the term "global marketplace" lightly.

Like the physical sciences and math, the social sciences are a coalition of different subject areas (economics, history, geography, and civics). I would counsel any Michigan leader contemplating opposition to the social science component to be careful of becoming a victim to the

fallacy of composition. To go against social sciences is to go against all of them collectively. If there is an issue with one of the disciplines, I would strongly suggest addressing those concerns separately. This is especially true if one's argument is against economics. My door for this forum of discussion is always open. As my mom always said, "don't throw out the baby with the bath water".

Second, may I also advise to not confuse the intent of this proposal with any personal views one may hold on content of the disciplines (i.e. State Standards and Benchmarks). The social sciences are a vital component to the overall classical education of a learned person. While content is certainly an important issue, this curriculum recommendation is to address the need for Michigan students to be established learners, and more competitive in the world of higher education when they graduate from high school. As a result, they will be more prepared for the global economy in which they will be the future leaders. Through the Michigan Merit Curriculum, it is anticipated that some of those future leaders will be from Michigan, not another state or nation. It is important to keep the focus on the state superintendent's intentions with this comprehensive recommendation.

Regarding the proposal in total

In support of the Michigan Merit Core and Applied Learning Core, I would like to make an observation and a comparison. The observation is that this proposal is not just an education issue. This proposal is an economic development issue. This proposal is a quality of life issue for the state of Michigan and its future position in the global economy. I would like to support this observation with a comparison with another northern state; Minnesota.

This past December at a meeting of the Michigan Bankers Association, one of the Council's strongest members, Dana Johnson, chief economist of Comerica Bank spoke to the group regarding Michigan's future. He noted Michigan ranks almost last in number of in-state graduates from its state's colleges and universities. Minnesota on the other hand, ranks first. He proceeded to connect his dots between a state's higher education graduates and the economic health and competitiveness of the state. I would like to connect a different set of dots. Given that enrollments of a state's higher education institutions are comprised mainly of in-state students, I will submit their

graduation success begins in their K-12 districts and schools. As Mr. Johnson so aptly put it, "Education is the silver bullet."

I submit the full context of your decisions regarding the Michigan Merit Curriculum is not local or even statewide. The decisions regarding the future of how our K-12 educational system is perceived relative to rigor, relevance, comprehensiveness, and consistency is in the context of the national and international marketplaces. We, the state of Michigan, cannot afford to think otherwise. We cannot afford to act otherwise. We are in the midst of a permanent structural change of the Michigan economy. Michigan is losing auto industry jobs to other states as well as other nations in a time when the national economy doing well. The Michigan economic landscape will, most likely, never be the same. Our competitiveness for jobs, businesses, and economic health in the global marketplace all but demands the Michigan Merit Curriculum in its entirety (no economic pun intended). Contrary to what some people may like to think, and believe they can control, market forces are just that, forces. Those forces will win in the end.

Local control is not the issue; Michigan competitiveness in the national and global economies is the issue. May I say again, the consequences of the Michigan Merit Curriculum go well beyond the considerations of our educational system. Your decisions, and those of your colleagues, will go along way in defining Michigan's quality of life and future economic role on the global scene.

In conclusion

I am proud that through the Michigan Council on Economic Education more than 2,000 educators and 600,000 students statewide have been positively affected by our programs and services this past year. Many of these educators and students are participants in today's social science classes.

Without a sound knowledge of economic principles, the global economy and how economics shapes the future of our communities and nation, our children will not be able to compete in a growing, sophisticated global marketplace. Michigan children will be left behind. The very result State Superintendent Flanagan's recommendation wants to avoid.

How long can the state of Michigan sit back to allow outmoded educational requirements hold its students back from moving forward with the rest of the world? I suspect not long. Again, I encourage and urge support of the Michigan Merit Curriculum, including a strong, rigorous social science sequence for high school graduation. Michigan deserves it, the global economy demands it.

Thank you.

David A. Dieterle, Ph.D.

President

Michigan Council on Economic Education